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Presentment Date: September 26, 2022 at 12:00 p.m. (ET)  
Objection Deadline: September 26, 2022 at 11:30 a.m. (ET)

*Attorneys for Series 2020A of Nahla Capital LLC*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

----- x  
In re: : Chapter 11  
: Case No. 22-10165 (MG)  
: Debtor.  
----- x

**NOTICE OF PRESENTMENT OF STIPULATION REGARDING  
DEBTOR'S CLAIMED EXEMPTION WITH RESPECT TO  
NORTHWESTERN MUTUAL INSURANCE COMPANY POLICY**

**PLEASE TAKE NOTICE** that the annexed *Stipulation Regarding Debtor's Claimed Exemption with Respect to Northwestern Mutual Insurance Company Policy* (the "Stipulation") will be presented for signature by the Honorable Martin Glenn, Chief United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), on **September 26, 2022 at 12:00 p.m. (prevailing Eastern Time)** (the "Presentment Date");

**PLEASE TAKE FURTHER NOTICE** that responses or objections (each, a "Response"), if any, to the Stipulation must (i) be in writing, (ii) conform to the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules for the Bankruptcy Court, and (iii) be filed and served on counsel for Series 2020A of Nahla Capital LLC, Hunton Andrews Kurth LLP, Attn: Robert A. Rich, 200 Park Avenue, New York, New York 10166 (rrich2@huntonak.com), so as to be actually

received by **September 26, 2022 at 11:30 a.m. (prevailing Eastern Time)** (the “Objection Deadline”). The ECF docket number to which the Response relates shall be included in the upper right hand corner of the caption of all Responses;

**PLEASE TAKE FURTHER NOTICE** that if no Responses are timely filed and served, Series 2020A of Nahla Capital LLC shall, on or after the Presentment Date, submit the Stipulation to the Bankruptcy Court, which the Bankruptcy Court may so-order without further notice or opportunity to be heard; and

**PLEASE TAKE FURTHER NOTICE** that a copy of the Stipulation or any other pleading filed in the above-captioned case may be obtained at the Bankruptcy Court’s website at [www.nysb.uscourts.gov](http://www.nysb.uscourts.gov) through an account obtained from the Pacer Service Center at 1-800-676-6856 in accordance with the procedures and fees set forth therein.

Dated: September 19, 2022  
New York, New York

*/s/ Robert A. Rich* \_\_\_\_\_

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*Attorneys for Series 2020A of Nahla Capital LLC*

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

----- x  
In re: : Chapter 11  
: Case No. 22-10165 (MG)  
JOSEPH KLAYNBERG :  
: Related Dkt No. 1  
Debtor. :  
:----- x

**STIPULATION REGARDING DEBTOR'S CLAIMED EXEMPTION  
WITH RESPECT TO NORTHWESTERN MUTUAL INSURANCE COMPANY POLICY**

THIS STIPULATION (this “Stipulation”), dated as of September 19, 2022, is made by and between Joseph Klaynberg (the “Debtor”) and Series 2020A of Nahla Capital LLC (“Nahla” together with the Debtor, the “Parties”).

**RECITALS**

A. On February 11, 2022 (the “Petition Date”), the Debtor commenced the above-captioned case under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of New York (the “Court”).

B. Also on the Petition Date, the Debtor filed his Schedule C for property claimed as exempt, which included without limitation a claimed exemption for the cash surrender value of a Northwestern Mutual Insurance policy (the “Policy”), pursuant to section 3212 of the New York Insurance Law, as follows:

<b>Northwestern Mutual Insurance Company Cash Surrender Value Line from Schedule A/B: 31.1</b>	<b>\$309,203.00</b>	<input type="checkbox"/>	<b>NY Ins. Law § 3212</b>
		<input checked="" type="checkbox"/>	100% of fair market value, up to any applicable statutory limit

C. The Policy refers to Northwestern Mutual Insurance Policy 11017050, for which the Debtor is the insured, and the Joseph Klaynberg 2015 Irrevocable Trust (the “Trust”) is both the owner and beneficiary.

D. Nahla's deadline to object to the Debtor's claimed exemption with respect to the Policy was extended through September 26, 2022 by stipulated orders of the Court (Dkt. Nos. 69, 89, 111 & 212).

E. In pleadings filed with the Court, Nahla has raised potential fraudulent conveyance claims held by the estate, including without limitation with respect to transfers made by the Debtor to entities in which the Trust holds an interest.

F. New York Insurance Law § 3212(e)(2)(A) provides, in relevant part, that:

Subject to the statute of limitations, the amount of premiums or other consideration paid with actual intent to defraud creditors as provided in article ten of the debtor and creditor law, together with interest on such amount, shall enure to the benefit of creditors from the proceeds of the policy or contract ...

N.Y. Ins. Law § 3212(e)(2)(A).

G. Nahla seeks to preserve its right to object to the Debtor's claimed exemption with respect to the Policy under New York Insurance Law § 3212(e)(2)(A), only upon the grounds that the premiums or other consideration were paid to the insurer under the Policy with actual intent to defraud creditors, pending an investigation and prosecution by Nahla, or a representative of the estate, of potential avoidance claims.

## **AGREEMENT**

NOW, THEREFORE, for and in consideration of the promises, mutual covenants, and agreements herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Nahla's right to object to the Debtor's claimed exemption with respect to the Policy pursuant to N.Y. Ins. Law § 3212(e)(2)(A), only upon the grounds that the premiums or other consideration were paid to the insurer under the Policy with actual intent to defraud

creditors, shall be preserved through the applicable statute of limitation periods for avoidance claims.

2. Nothing in this Stipulation shall constitute a determination of the extent of any property interest that the Debtor or his estate holds in the Policy or proceeds thereof.

3. This Stipulation may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all counterparts together shall constitute but one and the same instrument. Delivery of an executed counterpart hereof by electronic transmission shall be as effective as delivery of any original executed counterpart hereof.

**CULLEN AND DYKMAN LLP**

/s/ Bonnie Pollack

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*Attorneys for the Debtor and  
Debtor in Possession*

**HUNTON ANDREWS KURTH LLP**

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*Attorneys for Series 2020A  
of Nahla Capital LLC*

**IT IS SO ORDERED.**

Dated: September \_\_, 2022  
New York, New York

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MARTIN GLENN  
Chief United States Bankruptcy Judge